

## TRICARE SENIOR PRIME OFFICE OF PLAN ADMINISTRATION TRICARE Northwest Madigan Army Medical Center Tacoma, Washington 98431

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## Information Alert

**SUBJECT:** Transitional Cases

The following defines how claims are paid for patients who are in a transitional status (whether they are moving from one HMO plan to another, from FFS to a plan, or vice versa).

If a person is hospitalized in a Prospective Payment System (PPS) hospital, the plan/insurer at the time of admission is responsible for the Part A claim through discharge, not the new plan/insurer. This means if a person enrolls into TSP while already in a PPS facility, the old plan/insurer is responsible for the claim. If the admission is to a non-PPS hospital (long term psychiatric, some rural and community facilities that don't use DRGs) the Part A claims are split based upon affective date of enrollment. For Part B claims, the rule still remains split based on the effective date of enrollment with the new plan/insurer. For outpatient services, whoever the beneficiary was enrolled with or had insurance with at the time of the visit is responsible for paying the outpatient claim.